About 5.95 MMSCMD of APM gas is supplied in the North Eastern Region.

(d) A sum of Rs. 121.10 crores has been paid to OIL from the Gas Pool account towards the APM gas supplied at discounted price in North East Region during 2005-06. The expected amount to be received by OIL during 2006-07 is around Rs. 150 Crores.

(e) APM gas in the North Eastern Region is supplied by OIL and gas Authority of India Limited (GAIL). OIL has informed that the gas produced by them in the North Eastern Region is entirely sold in this region. GAIL has informed that they supply gas to the designated allocated customers in the region.

Entry of ONGC into retail sector

*229. SHRI V. HANUMANTHA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have asked ONGC to abandon its plan to get into the retail business;

(b) if so, the details of this ONGC scheme;

(c) what was the expenditure incurred by ONGC on this proposal so far;

(d) what were the reasons for ONGC going in for retail marketing; and

(e) the steps proposed to enquire into the expenditure in this regard by ONGC?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) No, Sir.

(b) to (e) The Oil and Natural Gas Corporation Limited (ONGC) has been granted authorization for marketing of Motor Spirit (MS) and High Speed Diesel (HSD) in accordance with the guidelines issued by the Government in the Resolution of 8th March, 2002. ONGC envisaged setting up 1100 Retail Outlets (ROs) in the country to take benefit of complete value chain integration in line with such models followed by

global oil majors. ONGC has incurred an expenditure of Rs. 8.67 crores so far in this regard.

In the wake of rising oil prices and to containing the burden on the consumers, the Government has taken a conscious decision not to increase the prices of MS and HSD at par with the international prices of these products resulting in under-recoveries towards the marketing of MS and HSD. While the Government has decided to issue Oil Bonds to partially compensate the Public Sector Oil Marketing Companies, namely, IOC, HPCL, BPCL and IBP for their under-recoveries on this account, no such compensation mechanism is available to the new players in this business, including ONGC. In view of this, ONGC has decided to defer their plan for the development of ROs.

There is no proposal to inquire into the expenditure incurred so far by ONGC on their retail business.

Crude production target

†*230. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have fixed any target for production of crude oil in the country for the year 2006-07;

(b) if so, the names of oil producing companies alongwith target of oil production fixed for each of them;

(c) the basis on which the quantum of target has been fixed; and

(d) the amount of additional capital to be invested by each company in the field of oil production during the current year?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) Yes, Sir. The targets for production of crude oil during 2006-07 by the two National Oil Companies (NOCs) viz., Oil and

†Original notice of the question was received in Hindi.